

**Annual Report
2008-2009**



AMRAWORLD AGRICO LIMITED

AMRAWORLD AGRICO LIMITED**NOTICE**

NOTICE is hereby given that the Annual General Meeting of the Members of Amraworld agrico Limited will be held on Wednesday the 30th September, 2009 at 1.30 p.m. at 19/20/21, Narayan Chambers, Ashram Road, Ahmedabad to transact the following business:-

1. ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2009 and the Profit & Loss Account for the year ended as on that date and the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of and Shri Shambhu Bhagat who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint the Auditors and fix their remuneration.

By order of the Board
For Amraworld agrico Limited

Place : Ahmedabad

Date : 7/7/09

Chairman

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. Proxies in order to be effective must reach the Registered Office of the Company not less than 48 hours before the time fixed for the Meeting.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from 22nd September, 2009 to 30th September, 2009 (both days inclusive).
3. Shareholders desiring any information on records of accounts are requested to write to the Company before 10 days of Annual General Meeting so as to enable the Management to keep the information ready.
4. The copies of relevant documents can be inspected at the Registered Office of the Company on any working day between 11.00 a.m. to 5.00 p.m.
5. Members are requested: -
 - i) to bring the copy of the Annual Report at the Meeting.
 - ii) to notify any change in address to the Company.
7. Members who hold the shares in Dematerialised form are requested to bring their Client ID and DP ID for easier identification of attendance at the AGM.
8. Members holding the shares in physical mode are requested to notify immediately for change of their address and bank particulars to the Company or its Share Transfer Agent.

AND

In case their shares are held in Dematerialised form then information should be passed on directly to their respective Depository Participant and not to the Company / Share Transfer Agent without any delay.

10. The annual listing fees of all the Stock Exchanges where Company's shares are listed for the year 2009-2010 have been paid.
11. Re-appointment of Director.

At the ensuing Annual General Meeting Shri Shambhu Bhagat , Director retires by rotation and being eligible offer himself for re-appointment. The information or details pertaining to Shri, Shambhu Bhagat to be provided in terms of Clause 49 of the Listing Agreement are furnished in the Statement on Corporate Governance published elsewhere in this Report.

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DIRECTORS' REPORT

To,
The Members,
AMRAWORLD AGRICO LIMITED

Your Directors hereby present the Annual report of your Company together with audited accounts for the accounting year ended on **31st March, 2009**.

FINANCIAL RESULTS:

PARTICULARS	YEAR ENDED	(In Lacs)
	31.03.2009	YEAR ENDED 31.03.2008
Sales and Other Income	13.79	909.99
Profit / (Loss) Before Interest & Depreciation	0.38	(4.16)
Interest	—	—
Profit / (Loss) Before Depreciation	0.38	(4.16)
Depreciation	0.00	0.00
Profit (Loss) Before Tax	0.38	(4.16)
Provision for Tax	0.15	2.10
Profit (Loss) for the year After Tax	0.23	(6.26)
Paid up Equity Shares Capital	600.79	600.79

1. DIVIDEND:

Your directors regret their inability to recommend any dividend for the year under review due to inadequate profit.

2. YEAR UNDER REVIEW:

During the year under review , your company had earned total income towards turnover and other income of Rs. 13.79 lacs compared to Rs. 909.99 lacs in 2007-08. Total expenditure incurred was Rs.13.41 lacs compared to Rs. 914.15 lacs in previous year resulting into Net profit of Rs 0.23. lacs compared to Net loss of Rs. 6.26 lacs in the previous year. The income during the year under review is mainly from share trading.

3. PUBLIC DEPOSITS:

Your Company has not accepted any deposit from the public during the year under review.

INDUSTRY STRUCTURE AND DEVELOPMENTS :

India's Economy has grown by more than 9% for three years running, and has seen a decade of 7%+ growth until now. Like most of the world, however, India has faced testing economic times in 2008 inspite of not having direct exposure to the sub-prime mortgage assets or to the failed institutions. The RBI projects growth of just 6% for the Indian economy in 2009-10 which would be lower than the 6.5%-7% growth estimate for 2008-09. This is mainly because of India's integration with world economy by two way trade and financial integration with the world. However, it is expected that the impact of the global crisis would be less severe in India as compared to developed countries.

After taking the cognizance of the depth and extraordinary impact of the crisis, the central government has announced fiscal stimulus packages aimed at additional public spending, providing fiscal benefits to infrastructure and increasing thrust to external trade. These measures, aided by resilient financial markets in India, and thrust to domestic consumption demand inter alia covering impetus to infrastructure sector is

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expected to provide an early recovery from global crisis somewhere second half of FY10. The economy's performance of the first few months of this fiscal corroborates to early recovery. The Indian economy is estimated to have grown by 9.8% in 2005-2006 compared to 8.2% in the previous year. This growth is fueled by performance of the service sector besides the positive growth in manufacturing and agriculture sectors.

Your company has entered in to commodity trading business and started trading of castor seeds.

OPPORTUNITIES :

Government of Gujarat has brought about suitable modifications in their agricultural policy .The favorable Government policy and the total control over castor seeds production in Gujarat results in to prosperous future

THREATS :

Hike in oil prices towards have alleviated concerns about high inflation and, subsequently, the continuous monetary tightening stance adopted by most countries during 2007-08. The major concern is declining level of consumption of castor oil world wide all the few years. The another threats is the stagnation in levels of total castor oil production and buyers shifting to cheaper alternatives. Your company faces normal market competition in its business. The profitability is subject to availability of product in sufficient quantity and demand of the global market.. Being Agricultural product , the supply depends upon the vagaries of monsoon.

OUTLOOK :

The overall outlook of agriculture Industry appears to be promising looking to the present economic environment. However the sustained growth will mainly depend upon future policy measures and commitment of financial outlays by the Government as well as Private capital investment.

Your company has focused on commodity trading and has availed membership of National Commodity Exchange.

RISK AND CONCERNS :

Your company is exposed to the normal industry risk factors of economic cycle and credit risk. The company manages these risks by maintaining a conservative financial profile, and by following prudent business and risk management practices.

INTERNAL CONTROLS & SYSTEMS :

A comprehensive system of internal inspection and audit is in place in your company to monitor internal control system. The scope and coverage of the Audit is reviewed by time to time to make it more focused and effective.

HUMAN RESOURCE MANAGEMENT :

During the year under review the employee attrition is minimal. The management continues its efforts on imparting training to Staff members with the view to upgrade their competence and managerial quality. The Industrial relations in your company continued to be cordial in the year 2008-2009.

CAUTIONARY STATEMENT :

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions, changes in Government regulations, tax laws and other statutes and other incidental factors

PUBLIC DEPOSITS :

Your Company has not accepted any deposit from the public during the year under review.

2. DIRECTORS :

During the year Mr.Ramesh Patel,Smt.Pushpa Patel,Shri Mahesh Thakkar ,Vijay Thakkar and Smt Jayshree

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Raval had resigned. Shri Shambhu Bhagat retires by rotation at the ensuing Annual General Meeting and being eligible offers themselves for reappointment.

3. DIRECTOR'S RESPONSIBILITY STATEMENT UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956.

The Directors confirm that

- In the preparation of the annual accounts, the applicable accounting standards have been followed by the Company;
- Such accounting policies have been selected and consistently applied and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009 and of the profit of the Company for the year ended on that date;
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

Annual accounts has been prepared on a going concern basis.

CORPORATE GOVERNANCE

Your directors are happy to report that your company is fully compliant as on 31st March 2009 with the SEBI guidelines on Corporate Governance as incorporated in Clause 49 of the Listing Agreement with the Stock exchanges.

A detailed report on this subject forms part of this report.

4. AUDITORS & AUDITORS' REPORT :

M/s. Mehul Thakkar & Company., Auditors of the Company, retire and are eligible for reappointment. The members at the ensuing Annual General Meeting are requested to consider their reappointment for the year to hold the office until the conclusion of the next Annual general Meeting . The Board recommends their appointment.

Notes forming part of the accounts, which are specifically referred to by the Auditors in their Report are self explanatory and therefore do not call for any further comments.

5. INFORMATION AS PER SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956 :

As your company is engaged in Trading activity and not engaged in manufacturing activity a statement containing information as per Section 217(1)(e) of the Companies (Disclosure of Particulars in the Report of Board of Directors Rules). 1988 is not appended. There are no foreign exchange earnings and outgo during the year.

6. PARTICULARS REGARDING EMPLOYEES :

There are no employees covered under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended and hence no information is required to be furnished.

7. ACKNOWLEDGEMENT :

The Directors sincerely express their deep appreciation to the Employee at all levels, Shareholders, Banks, Customers for their sustained support and co – operation during the year. Your Directors also acknowledge the support and guidance received from the RBI, SEBI, ROC, Stock Exchanges and other Regulatory Bodies. Banks and other Financial Groups also deserve special appreciation for significant contribution to your Company's operations.

For and on behalf of the Board of Directors

PLACE : AHMEDABAD

DATE : 7/7/2009

(CHAIRMAN)

AMRAWORLD AGRICO LIMITED**REPORT ON CORPORATE GOVERNANCE****1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :**

The Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of operations and in all inter-actions with its shareholders, employees , and the Government

Company is committed to achieve the highest standards of corporate governance.

Company believes that all its operations and actions must serve the underlying goal of enhancing the overall shareholder value, over a sustained period of time.

2. BOARD OF DIRECTORS :

The Board of Directors of the company is comprised of one Executive Director and Three Non-Executive Directors

During the year, Board Meetings were held on 30th April 2008,15th July,2008, 31st July 2008, 5th August, 2008, 31st October 2008 , and 31st January, 2009

Sr. No.	Name of Director	Category of Directorship	No. of Board meetings Attended	Attendance at last Annual General Meeting	No. of other Directorship	No. of other Committee memberships
1	Ramesh Patel	Promoter and Executive Director	6	Yes	1	1
2	Pushpa Patel	Promoter and Non-Executive Director	6	Yes	1	1
3	Vijay Thakkar	Non-Executive Director and independent director	6	No	0	Nil
4	*Mahesh Thakkar	Non-Executive Director and independent director	5	No	0	Nil
5	Jayshree Raval**	Non-Executive Director and independent director	2	No	0	Nil
6	Shambhu Bhagat	Non-Executive Director and independent director	6	No	3	2
7	Ashok Shah	Non-Executive Director and independent director	6	Yes		
8	Pratik Shah	Non-Executive Director and independent director	6	Yes		

* Resigned w.e.f.1/1/2009

** Resigned w.e.f.28/7/2008

3. AUDIT COMMITTEE :

The Audit committee was reconstituted by the board at its meeting held on 30th December, 2005.The present members of the audit committee are Shri. Shambhu Bhagat , Ashok Shah and Pratik Shah The Committee has appointed Mr Ashok Shah as chairman.

The terms of reference and powers of Audit Committee are as per Clause 49 of the Listing Agreement. The functions of the Audit Committee are as per Listing Agreement with the Stock Exchanges. This includes review of accounting and financial policies and procedures, review of financial reporting system

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and internal control procedure. The Committee met six times during the year i.e. 30th April 2008, 15th July, 2008, 31st July 2008, 5th August, 2008, 31st October 2008, and 31st January, 2009

Name of Audit committee member	No of meetings held	No of meetings attended
Mr Shambhu Bhagat	6	6
Ashok Shah	6	6
Pratik Shah	6	6

4. REMUNERATION COMMITTEE :

No Remuneration Committee meeting was held during the year.

5. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE :

The present members of Shareholders/Investors Grievance committee are Shri. Shambhu Bhagat, Bhagat, Ashok Shah and Pratik Shah of the company was Mr. .The role and functions of the said Committee are the effective redressal of the complaints of the shareholders regarding dematerialization, transfers, non-receipt of balance-sheet etc, The Committee will also recommend the steps to be taken for further improvement in the quality of services to the Investors.

The company has received no complaints during the year

6. GENERAL BODY MEETINGS :

The last three Annual General Meetings were held as under :

Financial Year	Date	Time	Venue
31.03.2008	30th September, 2008	4.00 p.m.	19/20/21, Narayan Chambers, 3rd Floor, B/H patang Hotel, Ashram Road, Ahmedabad
31.03.2007	29th September, 2007	5.00 p.m.	19/20/21, Narayan Chambers, 3rd Floor, B/H patang Hotel, Ashram Road, Ahmedabad
31.03.2006	30th September, 2006	3.30 p.m.	19/20/21, Narayan Chambers, 3rd Floor, B/H patang Hotel, Ashram Road, Ahmedabad

No special Resolutions were put through postal ballot as recommended under clause 49 of the Listing Agreement of the stock Exchanges, are placed for shareholders' approval at the forthcoming Annual General Meeting. There is no non-compliance nor any penalty or stricture imposed on the company by stock Exchanges, SEBI or any other statutory authority on any matter relating to capital markets during the last three years.

7. MEANS OF COMMUNICATION :

A. quarterly Results

The company has published quarterly results in The Western Times (English) and The Western Times (Gujarati), both at Ahmedabad.

B. Management Discussion And Analysis

Appended to this Report.

8. GENERAL SHAREHOLDER INFORMATION :

1.

2 Financial Calendar 2009 -10 (tentative) : Quarterly unaudited Results for the quarter ending 30th June, 2009, 31st July, 2009.

Results for the quarter ending September 30, 2009.
Last week of October 2009

Results for the quarter ending December 31, 2009, Last week of January 2010

Year Ending 31st March, 2010, June 2010.